Financing FARMERS' COOPERATIVES

FCS Educational Circular 5
Farmer Cooperative Service
U. S. Department of Agriculture

Foreword

THE Farmer Cooperative Service conducts research studies and service activities of assistance to farmers in connection with cooperatives engaged in marketing farm products, purchasing farm supplies, and supplying business services. The work of the Service relates to problems of management, organization, policies, financing, merchandising, quality, costs, efficiency, and membership.

The Service publishes the results of the studies; confers and advises with officials of farmers' cooperatives; and works with educational agencies, cooperatives, and others in the dissemination of information relating to cooperative principles and practices.

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Farmer Cooperative Service
U. S. Department of Agriculture

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Financing Farmers' Cooperatives

~~by~~ E. A. STOKDYK[1]

THE farmer is more than a part-owner of his cooperative—he is a part of the cooperative. Its success is limited to the extent to which he recognizes his position and actively participates in its support. To a greater or less degree, his participation must be in the form of financial support—one of the major jobs the farmer assumes when he becomes a co-op member.

His investment may be only a dollar or two, or hundreds of dollars. It may be a lump-sum subscription to the original capital, or it may be made up of "retains" deducted as he does business through the association. But in one form or the other the farmer as a part owner must have financial interest in his co-op.

This circular explains how the farmer's money is used to finance his cooperative, and covers the several distinct phases of financing:

1. Estimating the co-op's capital requirements.
2. The sources of a cooperative's capital.
3. Financing on the revolving capital plan.
4. The need of reserves in co-op financing.
5. How co-ops budget expenditures.
6. The use of audits and financial statements.

Estimating the Co-op's Capital Requirements

Your cooperative may have operated for many years, or you may live in a community where some form of cooperative effort is only now under consideration. In either case it is important to know how a cooperative's financial needs can be determined and how the capital structure is set up.

Wisely selected financing policies mean much to your association, but even the most conservative, carefully administered financial plan may be of little avail if your co-op's original financing was neither sound nor adequate.

How do farmers who plan to organize cooperatively determine how much money they will need to start their organization on a sound basis? The answer to that question may best be provided through an illustration, in which it may be assumed that a group of growers in a fruit-producing area are forming a cooperative.

Once these growers have definitely agreed upon the economic need for a cooperative, they must determine

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whether or not an adequate volume of fruit will be marketed through the new association to assure efficient operation. For the purpose of this illustration, it may be assumed that enough producers will join the co-op to guarantee a volume of 50,000 boxes of fruit the first season.

On each box of fruit the cooperative expects to have a margin between the proceeds of sale and the returns it will make to members sufficient to pay operating expenses and build reserves. For example, the difference between the sale price and the grower's return may be 50 cents per box, of which 40 cents is earmarked for operating costs, leaving 10 cents for reserves and possible patronage dividends.

The expected volume of 50,000 boxes, on which operating expenses are 40 cents a box, indicates the need of $20,000 for operating capital. The land, buildings, and equipment necessary to conduct operations are valued at $25,000. The total—$45,000—is the amount of money which the producers must raise to conduct operations.

The Sources of a Cooperative's Capital

When you buy a farm you may borrow money to finance its purchase, but the more you can pay outright from your funds, the more secure you are in your ownership. A co-op may also borrow money for its land, buildings, equipment, and other fixed assets. But you and the other members must furnish a substantial proportion of the capital required, because no one else can be expected to finance your business—or even to help you finance your business—unless you own a substantial equity therein.

For operating capital, it is considered sound business for the co-op to obtain short-term loans, just as you may borrow to get your crop started and pay back when it is harvested.

With the amount of money necessary to conduct operations determined, the fruit growers in our illustration must next obtain the required $45,000. Two avenues lie open to them: (1) subscription of funds by the members, and (2) borrowing. The extent to which they utilize each method of raising money depends upon varying circumstances, but an important cooperative principle will serve to guide them to some extent.

The principle is that members should invest in their cooperative an amount sufficient to make them realize that they have a financial stake in the organization which it is to their own interest to protect. If the producers ignore this principle, and attempt to start with little or no membership investment, they are courting failure.

This does not imply that the producers must seek to raise their entire $45,000 through membership subscription. Except in rare instances, such a procedure would be impossible. In order to bridge the gap between an adequate membership investment in the capital and the whole amount needed, the co-op may borrow money.

There is no fixed rule as to the relation of the amount of borrowed capital to

membership investment in a new cooperative, but the Farm Credit Act of 1933 restricts the amount which the banks for cooperatives may loan on fixed assets—that is, on land, buildings, and equipment—to 60 percent of their value.

The fruit growers can accept this restriction as a sound one. Thus on their facilities, valued at $25,000, the new cooperative may borrow $15,000, with the members providing $10,000. With a 50,000-box volume, the individual member's share in the fixed capital will be 20 cents per box. If a grower expects to deliver 1,000 boxes of fruit to the co-op in the first season, he may reasonably be asked to contribute $200 to the fixed capital.

How about his share of the operating capital for the first year? Ordinarily, a cooperative may soundly borrow most of its operating funds. But a new marketing cooperative borrowing for operating capital and able to offer proper security for payment of the loan should have at least $1 of its own funds for every $4 of borrowed money. Purchasing co-ops should start with $1 of their own money for every $2 borrowed.

Thus, our new fruit association, needing $20,000 to operate for a season, may borrow $16,000 and raise $4,000 from its members. With the expected volume of 50,000 boxes, the assessment will be 8 cents per box. To this may be added 2 cents per box to cover errors in estimating costs or volume.

So, the grower who plans to deliver 1,000 boxes of fruit to the co-op, may add to his $200 fixed capital subscription an $80 contribution to the operating capital, and $20 as a safeguard against increasing costs or reduced volume—a total of $300. The membership as a whole will furnish $15,000 of the co-op's original capital of $45,000.

Members' subscription to capital

It is highly desirable that the subscription to the original capital be made by the members in proportion to the volume they expect to deliver to the association, and that the subscription be in cash. Some associations have sold preferred securities to outsiders to obtain the necessary original capital, but such a procedure weakens the members' interest and the association is likely to be looked upon as "the other fellow's" instead of "ours." Furthermore, inasmuch as the members of cooperatives expect to share in patronage dividends in proportion to the volume they deliver, it is equitable that they subscribe to the original capital on the same basis. If the association revolves its capital, as is described later, periodic adjustment is made of the capital contributions of members.

It is often found that prospective members of a new cooperative do not have adequate funds or credit to subscribe a substantial amount of the original capital. If this is the case, it is probable that the undertaking should be deferred until a later time. Frequently prospective members borrow, on their individual notes, the funds necessary to subscribe to the original capital and give an order on the cooperative to pay such borrowings from the proceeds of sale. In some cases the association has endorsed the individual notes, but such a procedure is considered unsound and inequitable because it creates a liability on the part of the association which may handicap its

own financial standing, and the association may be called upon to make good the debts of a few members at the expense of the remainder.

Interest payments on membership capital.—During the first years of operation cooperatives ordinarily forego the payment of interest on membership capital. Any earnings or savings not distributed as patronage dividends are used to build reserves.

In the early history of an association members have a capital investment approximately in proportion to the use they make of it. Hence, the payment of interest is in effect "taking money out of one pocket and putting it into another." However, after an organization has operated for a period of years and there has been a change in membership and in the volume of business done by individual members, the payment of a moderate rate of interest on membership capital offsets to some extent the disadvantage of members who have an investment in the association in excess of what their proportionate share based on patronage would be.

It is unwise, however, to make interest payment on members' equities mandatory even after the association has operated for a period of years. Unforeseen circumstances might arise to jeopardize the future of the association if interest became due and funds were not available to make payment. The advisable procedure is to provide in the bylaws that the payment of interest on membership capital be at the discretion of the board of directors.

Borrowings

Long-term borrowings.—In arranging to borrow to finance its land, buildings, and equipment, a co-op usually obtains credit on a long-term basis. Only under unusual circumstances could an association repay the entire obligation in a single year. The period of the loan depends upon a number of factors, including the policies of the lender. From the association's standpoint, the desirable period is the one which will permit repayment of the debt as soon as possible without working an undue hardship on its members.

Our fruit growers' cooperative, used as an example, was to have borrowed $15,000 on its facilities. Repayment of this loan would be made from the proceeds of sale of the fruit it handles. It may be assumed that of the 10 cents per box set aside for reserves and patronage dividends, 1 cent is allotted to the reserves, and 9 cents to patronage dividends. If this were done, 6 cents per box might be deducted from the sale price to repay the loan—an arrangement which would be attractive to members, since they would receive a patronage dividend in excess of the amount deducted for the capital loan repayment.

At this rate of deduction, with a volume averaging 50,000 boxes a year, the association would pav off the $15,000 loan in 5 years at $3,000 a year.

It should be noted that the procedure outlined contemplates a definite deduction from the proceeds of sale for capital purposes—namely, to repay the loan. This is advisable because unforeseen circumstances might arise which would make it impossible to pay patronage dividends. If reliance were placed on patronage dividends as a source of capital, the association might at times be unable to meet its obligations. Thus, in planning the original financial struc-

ture of a co-op, provision should be made to finance the organization through capital deductions or "retains" from the proceeds of sale. Purchasing associations usually build their capital from earnings, although a few add a charge, such as 50 cents a ton, to their sales accounts for capital purposes.

Short-term borrowings.—Co-ops usually obtain credit for operating capital on a short-term basis. Here the period corresponds with the length of time required to assemble, process, pack, transport, and sell the products, and collect the sales proceeds. This varies from commodity to commodity but corresponds roughly with the marketing season. Sometimes the proceeds of sale of the first products sold are used to finance later marketings and returns are made to members at a later date, but, as a rule, it is customary to make returns to members as quickly as possible and repay borrowings at the end of the season when all sales have been made.

If the commodities handled are marketed in rather steady volume throughout the year, operating funds are usually borrowed for a period of 1 year and new loans are sought annually. The same is true in the case of cooperative purchasing associations which handle a uniform volume. Many associations which have a distinct peak in volume but operate throughout the year, plan to build their own operating capital to a point where they need borrow only for their peak needs. Some associations make arrangements for credit which permit borrowing and repayment from time to time within a given year with interest due on outstanding balances.

One of the principal reasons for borrowing operating capital on a short-term basis is that the rates are usually lower than for long-term loans. For example, on July 1, 1954, the interest rate of the banks for cooperatives for operating capital loans ranged from 3 to 3½ percent, while the rate on facility loans varied from 4 to 4½ percent. Furthermore, lenders prefer to review operating loans frequently because, if operations are not satisfactory, they can either withdraw or demand correction in operating methods and policies.

In the preceding discussion, borrowings on commodities have not been mentioned. Relatively few cooperatives borrow on the commodities they handle, yet to some it is an important phase of their financial operations. Commodity loans usually carry themselves; hence little change in the general capital structure of the cooperative is needed.

Financing on the Revolving Capital Plan

Your association may be among the many which have adopted the "revolving" plan of capitalization. If it is, you are participating in a purely cooperative practice whereby it is intended that you contribute annually to the association's capital exactly in proportion to the business you do with the co-op; and each year you receive repayment of the capital contribution you made in an earlier year.

The plan has been likened to a water wheel, picking up water, using it to create the power that turns the mill machinery, and returning the water to the millstream. Your contribution plays its part in the co-op's capital for a period of years, creating many advantages not to be found in other financing plans. Then it returns to you.

The revolving type of capital structure provides that members' contributions of capital be returned to them periodically. This plan has developed in response to a situation peculiar to cooperative undertakings. Members expect to gain advantages through the association in proportion to the use they make of it rather than in proportion to the amount of invested capital. However, when a member ceases to patronize a cooperative, his point of view changes and he becomes concerned about dividends on invested capital. If, therefore, some provision is not made to return the withdrawing member's investment, as time goes on and more and more members cease farming, a sharp conflict may arise between the present patrons and the ex-patrons.

In addition, the revolving capital structure tends to maintain the members' investment in the association in proportion to the amount of business they transact through it. This is a distinct advantage from a number of standpoints. If the patrons have an investment to protect, they are likely to continue to patronize the association even though temporary difficulties may be encountered. They are also likely to insist that the association take no undue business risks—such as the extension of credit on too liberal terms.

Furthermore, the revolving capital structure offers a convenient way to keep the voting control of the organization in the hands of those who use it. At the same time, it minimizes the amount of nonmember business, because associations which have once acquired a substantial amount of capital are able to admit new members on the payment of a small membership fee and permit them to furnish their capital contributions over a period of years rather than require them to make a large initial investment. This factor is important because the amount of nonmember business has a bearing on the legal eligibility of an association to borrow from the banks for cooperatives and on exemption under income tax laws.

How revolving plan operates.—The operation of a revolving capital structure is shown in tables 1 and 2. In the construction of table 1, the fruit co-op is again taken as an example. It will begin operations in 1954, with facilities costing $25,000, a mortgage debt of $15,000, an original investment on the part of members of $15,000, and capital retains of $3,000 each year. The association will not revolve any portion of the membership capital until the mortgage debt is repaid.

In table 2 is shown the revolution of capital belonging to the member who markets 1,000 boxes a year through the association during the period under consideration (1954–60). A capital retain of 6 cents per unit is deducted annually from the proceeds of sale, and the member's original investment in 1954 is $300.

Table 1.—*Capital Statement of a Cooperative on Revolving Capital Basis*

Year	Total membership investment at beginning of year	Mortgage debt at beginning of year	Capital added by 6-cent-per-unit deduction	Capital revolved	Total membership investment at end of year
1954	$15,000	$15,000	$3,000	....	$18,000
1955	18,000	12,000	3,000	....	21,000
1956	21,000	9,000	3,000	....	24,000
1957	24,000	6,000	3,000	....	27,000
1958	27,000	3,000	3,000	....	30,000
1959	30,000	....	3,000	$3,000	30,000
1960	30,000	....	3,000	3,000	30,000

(And so on, if operations are successful and no more funds are needed for capital.)

Table 2.—*A Member's Capital Equity Account in the Foregoing Association*

Year	Investment at beginning of year	Capital contributed by 6-cent-per-unit investment on 1,000 units a year	Capital revolved to member	Investment at end of year
1954	$300	$60	....	$360
1955	360	60	....	420
1956	420	60	....	480
1957	480	60	....	540
1958	540	60	....	600
1959	600	60	$60	600
1960	600	60	60	600

(And so on, if operations are successful and no more funds are needed by the association for capital.)

In tables 1 and 2 the association revolves no portion of its capital until the mortgage debt is paid in full. Some associations do revolve a portion of their capital prior to that time with funds obtained from other sources such as savings that are not distributed as patronage dividends. The principal considerations are the amount of funds available and the extent to which capital revolution can be made without jeopardizing the credit standing of the association.

Legal considerations.—It is important to an association which plans to build its capital structure on the revolving plan to provide in the bylaws or marketing contract for deductions from the proceeds of sale for this purpose. At the same time, it is advisable to set

forth in the bylaws or contract other purposes for which deductions may be made, such as reserves and necessary operating expenses, because the courts have held that no matter how advisable or essential deductions other than those authorized may appear, they cannot properly be made.

It is also important to set forth in the bylaws that the membership capital is junior to the rights of creditors. At the same time, it is essential that the bylaws state the authority the directors may exercise in the revolving of capital funds. The tendency is to provide that the board of directors shall have broad authority as to the size of the capital fund, the time of revolving of capital, and the amount of the deduction for capital purposes.

Adapted to both stock and nonstock associations.—The foregoing considerations apply whether the cooperative is organized as a capital stock association or a nonstock association. Many people fail to recognize this fact because comparatively few stock associations operate on a revolving capital plan, whereas numerous nonstock associations do. It is possible, however, to draw the legal instruments of a capital stock association in such a manner that the capital stock will revolve in the same manner as the membership capital of a nonstock organization.

The membership capital in nonstock associations is known by a variety of names such as advance funds, revolving funds, withholdings repayable, members' reserves, and members' investments. From a financial point of view they are merely names for capital.

Another circumstance that has led some to believe it is only nonstock associations which operate on a revolving capital plan is that some nonstock associations have attempted to build their entire capital structure by deductions from the proceeds of sales instead of with a substantial original investment on the part of the members. When a nonstock association is organized, it is possible for prospective members to subscribe to the capital funds, by whatever name they are called, and receive evidence of their equity in the association, just as it is possible to subscribe to the capital stock, either preferred or common, of a stock association.

The Need of Reserves in Co-op Financing

When lean years come to your farm and that of your neighbor, they quickly affect your cooperative. Patronage, whether it be in products marketed or in supplies bought, falls off. Financially, your association must be prepared to carry on through the period of diminished patronage. To provide a safeguard against such contingencies, and other attacks upon your capital in the cooperative, the association should set up adequate reserves. They are really just one of the necessary costs of running a sound business, and, fairly enough, they are contributed by you and the other members in exact proportion to the business you put through the co-op.

Mention has been made of the advisability of planning the capital structure to provide for reserves. The purpose of reserves, is, first, to provide funds to meet unforseen circumstances and, second, to protect members' capital investments.

Some associations provide for a definite deduction from the proceeds of sale for reserves, while others set aside reserves from earnings or savings before distributing patronage dividends.

Amount of reserves.—A sound practice for cooperatives is to build reserves gradually to an amount which is considered adequate to meet unusual situations which might arise. For example, some associations accumulate reserves until the amount is sufficient to pay the expenses which would be incurred if a crop failure made it necessary for the plant to remain idle for a season. Associations which store commodities from one part of the marketing season to another seek to build their reserves to a point at which they would cover losses that might be sustained if prices declined during the storage period. Purchasing associations that carry heavy inventories aim to have reserves adequate to cover losses which might be incurred from price fluctuations before an inventory can be moved.

Under income tax regulations cooperatives qualifying for exemption are permitted to accumulate and maintain reasonable reserves for necessary purposes. However, the association must pay Federal income taxes on any amounts placed in reserves, unless individual members are given notice of the amounts placed to their credit in these reserves in accord with income tax regulations. When notified, cooperative patrons are required under present income tax regulations to take these amounts into account in preparing their own income tax returns.

The discussion above refers to general reserves or reserves for contingencies. It is a common business practice to establish valuation reserves such as depreciation allowances and bad debt allowances. These are distinct and separate from the general reserves and are charged to operations currently.

How Co-ops Budget Expenditures

If your cooperative governs its expenditures with a budget, it is following accepted business practice. Commercial business has been budgeting expenses for some time. Governments budget their money and housewives budget their food allowances. Your co-op may use a similar system to determine in advance how it may expend to best advantage the money which you contribute to its operating capital.

In estimating and checking the probable operating costs and other factors affecting the financing of the fruit growers' cooperative, which has been used as an example, the construction of a budget was involved.

Under certain circumstances, it is relatively simple to obtain the essential information for a new association's budgeting expenditures, while in other instances the data are difficult to procure. After a cooperative has operated

for an entire season, however, the preparation of a budget is comparatively simple.

For a new co-op, a budget is helpful in determining whether or not the undertaking is wholly feasible, as well as aiding in estimating financial requirements. Established associations find the budget indispensable in keeping expenditures in line with the functions the co-op performs. The management is frequently urged to undertake additional functions and to expend funds for purposes which may be worthy, but if the budget does not provide for such expenditures the manager is justified in denying them.

In table 3, an illustration of budget preparation, the expenses which our fruit-handling cooperative might incur in a season are outlined. As shown, they total $20,000, or 40 cents per box if the expected 50,000 boxes are delivered. Instead of charging members 40 cents per box for handling their fruit, the association makes the figure 50 cents to provide a margin of safety. At the end of the season, as pointed out before, the amount not used to pay operating costs is returned to the members as patronage dividends, after reserves have been set aside.

Insofar as possible, the charge made to the member is kept in line with competitive handling charges—that is, with the margin generally prevailing in the industry between the sale price of the fruit and the return to the grower. The only justification for higher charges is in distinctly superior service by the cooperative.

The item of superior service must not be overlooked as cooperatives are frequently organized because the available marketing or purchasing services are inferior. However, it is important to keep the competitive situation in mind because members frequently judge the efficiency of their cooperative on the basis of cost rather than service. Furthermore, if a budget shows estimated expenses per unit to be considerably more than competitive handling charges, a serious question is raised as to the advisability of organizing a new cooperative; or if an association has been operating for some time, it raises the question of the advisability of liquidating or merging operations with other agencies.

The Use of Audits and Financial Statements

As long as you have a financial interest in your co-op, you have every right to know the facts about the financial condition of the association. Periodical financial statements provide the information you want. If a careful audit is made, you may be assured that the statement presents an accurate and sufficiently complete picture of your co-op's true financial status.

At the end of each season or fiscal year it is a sound practice to have an audit made by a competent accountant—preferably a certified public accountant. Some associations have quarterly audits to supplement annual audits, a practice which is advisable if operations are extensive and large inventories are carried.

Table 3.—*Illustrative Expense Budget for a Cooperative Association*

Office salaries, including clerical salaries	$3,800
Packing labor, at 10 cents per package	5,000
Packages and supplies, at 12 cents per package	6,000
Depreciation of buildings and equipment	1,250
Interest on long- and short-term borrowings	1,000
Taxes and insurance	750
Office expense, including communication expense	750
Allowance for bad debts	500
Legal expense	150
Unpredictable expense	300
Audit expense	500
Total estimated expenses	20,000

The foregoing budget does not include all the items or correspond with the segregation that may be found in the budget of a specific association. If the products handled are processed, manufacturing and processing costs are important budget items. Similarly, if products are stored for considerable periods, storage charges may appear as a distinct item.

The auditor should be selected by the board of directors rather than by the manager because one of the functions of the auditor is to review the operations directed by the manager. The auditor is less likely to withhold critical comment if he is chosen by and is responsible to the board.

There is a tendency at times to try to economize on auditing expense by having a limited audit made or by employing someone who is willing to make the audit for a small fee. Usually such audits are worthless because little more is done than to copy the bookkeeper's records. It cannot be too strongly urged that audits should be thorough and made by competent persons.

Purposes of an audit.—One of the primary purposes of an audit is to determine the accuracy of the records of the transactions conducted during a specified period. This is particularly important to cooperatives because they deal with many persons whose returns or savings are dependent upon the accuracy of the accounting. A second purpose is to verify the correctness of the assets, liabilities, and capital of the association. At the same time the audit serves to detect and prevent fraud. A third purpose is to obtain in written form a summary of the association's financial condition and operating results.

Utility of audits.—The audit is of aid in presenting the affairs of the association to those from whom it expects to obtain credit. It serves too as a source of information which will aid in planning future operations. Trends in operations are frequently revealed which, if detected in time, may be corrected before substantial losses are incurred.

Audits also bring to an organization an outside viewpoint on methods of accounting and business procedure which help to keep accounting expenses at a minimum and to perfect checks for the prevention of losses.

For the purposes of the members, the auditor's findings ordinarily are presented in the form of an annual financial statement. Too frequently members pass by their association's financial statement as it comes to them in their house organ or otherwise, looking upon its seemingly formidable columns of figures as puzzles too difficult to solve.

Actually financial statements are concise, well-planned listings of the assets and liabilities which indicate the cooperative's financial condition. They are not difficult to understand with a little study, and once comprehended present a clear picture of how the business is being conducted.

Keeping in touch with the cooperative's financial standing is just as much a part of the member's job of helping to finance the association as is his actual contribution of money. Since he obviously cannot make a personal check of the association's books to see how his money is being used, the financial statement is presented periodically to furnish him with complete information on the association's financial affairs.

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Questions and Problems

1. What is the customary handling charge per unit in your community for a specific agricultural product?

2. How many units does the cooperative association which you have selected handle?

3. What is the total investment in plant and equipment of the association you have selected?

4. What is the total membership investment?

5. What is the unit cost of operations?

6. How much money does it take to operate the association for a year?

7. Assuming a similar association were about to organize, prepare a statement showing the amount of initial membership capital that would be required and the amount that might be borrowed.

8. Outline a plan for obtaining membership capital that would be equitable to producers with small as well as large volume.

9. What terms and conditions would you desire on a long-term loan to finance the plant and equipment?

10. Prepare a plan and statement showing how a long-time loan would be repaid.

11. Assume you were to borrow operating funds to run the cooperative for a year. Prepare a statement that you could present to a bank showing how the funds would be used and when and how they would be repaid.

12. What are the advantages of a revolving type of financial structure?

13. Construct a table showing how the revolving type of capital structure operates.

14. What are the principal reasons for establishing reserves in cooperatives? What is the source of the reserves?

15. What are the purposes of an audit?

16. Obtain the financial statement of a specific cooperative. Analyze it from the standpoint of the members' investment in the organization. Obtain the articles and bylaws of the cooperative and, with your analysis in mind, prepare a statement showing how the financial structure might be improved.

"You and Your Co-op" Series

OTHER circulars in this series, describing the personal relationship between you and your cooperative, are available from the Farmer Cooperative Service, Washington, D. C. The series includes:

Using Your Livestock Co-op
Using Your Co-op Elevator
Using Your Co-op Gin
Using Your Wool Co-op
Using Your Purchasing Association
Using Your Fruit and Vegetable Co-op
Using Your Poultry and Egg Co-op
Using Your Fluid Milk Co-op
Insuring Through Your Farmers' Mutual

Sizing Up Your Cooperative
Forming Farmers' Cooperatives
Managing Farmers' Cooperatives
Merchandising by Farmers' Cooperatives
The Story of Farmers' Cooperatives

. . .

Using a Local Cooperative as Source Material for Teaching

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